

SENATE BILL NO. 475

INTRODUCED BY S. DOHERTY

A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING UNFAIR ELECTRICITY PROFITS; PROVIDING FOR PENALTIES, REIMBURSEMENT, AND ATTORNEY FEES; ALLOWING THE PUBLIC SERVICE COMMISSION, THE ATTORNEY GENERAL, OR A COUNTY ATTORNEY TO SUE ON BEHALF OF STATE RESIDENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Short title. [Sections 1 through 5] may be cited as the "Montana Unfair Electricity Pricing Act".

NEW SECTION. Section 2. Purpose and findings. The legislature declares that the purpose of [sections 1 through 5] is to safeguard Montanans and the Montana economy from unfair and unreasonable electricity profits that bear no reasonable relationship between the cost of electricity and the services provided. The legislature finds that:

(1) electricity has become a basic and irreplaceable necessity that impacts the public health, safety, and welfare of all Montana citizens;

(2) the unreasonable spiking of electricity prices has had a profound and dramatically negative and immediate impact on Montanans and the Montana economy, causing the closure or curtailment of many of Montana's basic industries; and

(3) protecting Montanans against unreasonable electricity prices is necessary to safeguard each Montanan's constitutional rights to pursue life's basic necessities and to seek health, safety, and happiness.

NEW SECTION. Section 3. Definitions. As used in [sections 1 through 5], the following definitions apply:

(1) "Person" means natural persons, corporations, trusts, partnerships, incorporated or unincorporated associations, and any other legal entity.

(2) "Unfair electricity profits" means generating, distributing, or selling electricity for which the price of that electricity increases more than 25% in any 48-hour period or 50% in any 30-day period. If these thresholds are exceeded, it creates a rebuttable presumption of unfair electricity profits.

NEW SECTION. Section 4. Prohibition on unfair electricity profits. A person may not contract for, engage in, take, receive, or otherwise cause unfair electricity profits.

NEW SECTION. Section 5. Penalties -- reimbursement -- attorney fees. (1) A person who violates the provisions of [section 4]:

(a) is subject to a penalty of not less than treble the amount of the unfair electricity profits as determined by the court; and

(b) shall directly reimburse the electricity buyer for all unfair electricity profits gained.

(2) If the buyer is the default supplier, as defined in 69-8-103, reimbursement must be distributed to ratepayers in a manner determined by the public service commission.

(3) In an action brought under [sections 1 through 5], the court may award the prevailing party reasonable attorney fees incurred in prosecuting or defending the action.

(4) In addition to the remedies provided in subsections (1) and (2), a person that suffers harm as a result of unfair electricity pricing is entitled to receive injunctive or declaratory relief.

(5) The public service commission, the attorney general, or a county attorney, on behalf of state residents who have suffered a loss or harm as a result of a violation of [section 4], may seek any remedy provided in this section.

NEW SECTION. Section 6. Codification instruction. [Sections 1 through 5] are intended to be codified as an integral part of Title 30, chapter 14, and the provisions of Title 30, chapter 14, apply to [sections 1 through 5].

NEW SECTION. Section 7. Effective date. [This act] is effective on passage and approval.

- END -